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15 May 1975

INFORMAL SUGGESTIONS
FOR
REVISION OF
DIRECTOR OF CENTRAL INTELLIGENCE
PERSPECTIVES FOR INTELLIGENCE
1976 - 1981

(Revisions, additions, and
deletions are underlined)

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DIA AND OSD REVIEW COMPLETED

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Part I--Major World Problems

1. General. The balance of power between the US and USSR is unlikely to change fundamentally. But the power of the US to influence international developments will continue to decline as the power of additional nations possessing nuclear weapons and sophisticated conventional forces, or having significant control over critical economic resources continues to increase. The use of this new power by smaller nations will appear (meaning unclear) to impinge more heavily on US strategic interests than on the strategic interests of the USSR. Many will thus perceive the balance of power as tilting in the USSR's favor.

Assumption by the OPEC countries of near-monopoly control of the free world's oil resources has already ~~critically~~ strained the economies of most of the world's industrial (and less developed) nations and the fabric of international finance and trade, while as yet leaving the USSR and other communist nations relatively unaffected. These and other strains are helping to undermine the political stability and change the foreign orientation of many nations. NATO cohesiveness is in jeopardy and America's traditional friends and allies are less disposed than in the past to accommodate US strategic requirements in the Middle East. These trends are likely to continue. They will provide the USSR with tempting opportunities, even within the constraints of detente, to expand its influence in world affairs at the expense of the US. Detente will at times be severely strained but is likely to hold together.

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2. The USSR. Notwithstanding the probably continuation of detente and an absence of armed conflict, the USSR will continue to seek a measure of strategic superiority over the US both in its weapons systems and in its influence over international developments. It will regard the US as its major security threat, and act accordingly.

In foreign policy, it will continue to seek ways to expand its international influence and reduce that of the US. In Western Europe, it will continue to attempt to undermine the concepts of both Atlanticism and Europeanism, employing both political action and trade policies for this purpose. Its primary aim in the Middle East will be to achieve at least equal status with the US in efforts to control and defuse the Arab/Israeli confrontation. It will also attempt to weaken the special relationships the US has enjoyed with Turkey and Iran. Soviet political action in South Asia, the Far East, and Latin America will be more limited and directed as much to counteracting Chinese as American influence. In its economic policy, Moscow will continue to give high priority to the kinds of growth which increase national power and its projection abroad, but will also fashion its trade policies to achieve specific foreign policy objectives.

The circumstances which commend detente to the USSR, however, have complicated this picture. These are: the need to control local crises lest they lead to general war, the burden of the Sino-Soviet conflict; and the desire for economic and technological assistance from the West. The Soviets will have to

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deal in the coming years with a number of dilemmas as they attempt to square traditional attitudes with the requirements of a detente posture.

These dilemmas may take an acute form in the strategic field. While continuing to modernize its ground, naval, and tactical air forces, the USSR is vigorously pursuing the opportunities left open by SALT I. Except to the extent restrained by arms limitation agreements, the Soviets will make substantial improvements in their missile forces, including MIRVing, improved accuracy, increased throw-weight, and better survivability. At the same time, they will continue to maintain and to improve their defenses. They will be working to develop effective weapons and supporting systems in such areas as ASW, satellites, and lasers. Expecting strategic equality with the US, the USSR gives indications of angling further for a measure of strategic superiority, if that can be obtained at reasonable risk.

In attempting to exploit the Arab/Israeli confrontation and other international crises, Moscow will be confronted with similar dilemmas, will be similarly inhibited, but will take reasonable risks to obtain advantages. As noted above, some Soviet advantages will result from actions taken by third powers rather than from Soviet initiatives.

Further, while the USSR may be able to exploit local tensions, political instability, and economic pressures, it may be faced with the fact that even when it is successful in changing

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the alignment of given nations the new regime may not be politically orthodox in the Soviet sense. In many cases, such regimes may actively suppress Soviet aligned communist parties or successfully develop competing radical ideologies.

The USSR is faced with additional dilemma, therefore, that in exploiting international tensions it may create regimes with which it can maintain "marriages of convenience," but whose leaders do not see their interests as coinciding with those of the USSR, and whose political systems may be less vulnerable to domination by Soviet-led parties. In some cases, these regimes may actively compete with Soviet-oriented communist parties in the region involved.

Domestically, the pressure for modernizing reforms of the Soviet system, and particularly its economic administrative structure, will grow. Prolonged detente may also eventually have some effect on the Communist Party's ability to wield its authority effectively in all areas of public life. But these are long-term possibilities, and over the next five years the essentials of the Soviet domestic system are not likely to be substantially altered.

*3. China. Almost certainly, China will undergo a change in leadership. The succession could see an initial collegial unity followed by an authoritarian, aggressive and xenophobic leader. The initial period could also be followed by fragmentation

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into a variety of contesting military, party, and provincial elements. For planning purposes, however, it would seem most appropriate to assume that the follow-on leadership in China will maintain the unity and authoritarian discipline imposed by the Communist Party, that it will be primarily concerned with internal unity in meeting the social and economic problems with China, and that it will retain a somewhat paranoid attitude toward the outside world and particular suspicion of countries on its periphery.

China will continue gradually to develop its strategic forces and will present a retaliatory threat to the Soviet Union. By 1980, it will have the capability of threatening the United States with a demonstration (or desperation) strike by a small number of ICBMs and SLBMs. China will maintain large general purpose forces capable of operations on its periphery but will be unlikely to commit them in the absence of major provocation of concern.

Internally, China will continue its authoritarian economic programs, which are likely to keep agriculture abreast of population, to enable industry to expand capacity and output, and to support an increasingly modern defense establishment. Internationally, China will endeavor to become the ideological leader of the Third World. It will participate in aid programs and similar political gestures with other Third World powers but will not establish substantial authority over Third World countries.

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Regionally, the situation has become highly complex. China will be faced with reacting to the communist victory in South Vietnam, Cambodia, and Laos. It will be faced with changes in the alignment of other powers in Southeast Asia, with the possibility of changes in the relative role and influence of the US and USSR in the area, and with a changing and unstable situation in the Indian sub-continent and Indian Ocean area. These will probably involve China in more direct competition for power and influence in the region with the USSR, and may lead China into a more active effort to establish friendly regimes over which it has more direct authority.

4. Western Europe. It is not clear how the situation will develop in Western Europe during 1975-80. There is a significant risk of negative developments. Most Many Western European nations will may be subjected to increasingly severe economic strains and some will may resort to more radical political means to ease them. Both developments will could reduce prospects for closer European integration, as individual nations seek salvation through bilateral arrangements with the USS, the USSR, and Third World producers of food, energy, and other critically needed raw materials.

The concept of Alanticism is ~~likely~~ may far even worse. Economic competition between the US and Western Europe ~~is-likely-to~~ may become more severe and add strains to trans-Atlantic relationships. Western Europe ~~will~~ may increasingly take for granted its ultimate dependence on US support against the USSR and tend to

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accommodate US strategic interests only in exchange for US support of its immediate, chiefly economic, needs. At the same time, it is not yet clear how given European nations will react to events in Asia, to perceive the implications of the 1975-80 strategic balance, or react to the course of the MBFR and SALT negotiations. As noted above, the USSR will engage in political and economic action to encourage these divisive trends as it is already doing in Portugal. So will the LDC producers of raw materials. Developments in Italy, and post-Franco Spain are areas of particular concern.

*5. Eastern Europe. While Eastern Europe will continue to be under Soviet control, recurrent pressures for some loosening of ties with Moscow will complicate the picture. The five-year period could see an explosion from within one or more East European countries against Soviet dominance, but Moscow ~~would~~ could quickly reestablish its hegemony (by force if necessary), whatever the price in terms of other policies. Internal discipline may be alleviated somewhat in these countries so long as they adhere to Soviet guidance in diplomatic and security matters. The economic future of Eastern Europe is unclear. The resource costs and scarcities affecting Western Europe may increasingly affect Eastern Europe as well. Economic relations with the West and with the Third World will grow in quantity and in independence from Soviet control. The *No change from July 1974 edition.

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passing of Tito could open an arena of difficulty and contest over the succession internally and over the future orientation of Yugoslavia externally.

*6. Japan. Japan will continue to play a major economic role and as a participant in international economic affairs generally, expanding its contacts and relations with other countries, including the USSR and China. It will probably still place priority on cooperative relations with the United States although, on issues it considers vital to its own well-being, it will be less amenable to American influence and may shift alignment somewhat because of a perception of weaker US influence in the area. The internal Japanese scene is not ~~apt~~ now likely to change so substantially as to affect Japan's role abroad, although it may increasingly lead to pressure to reduce the extent of Japan's alignment with the United States.

7. New Powers and Blocs. The phenomenon of small powers, singly or in combination, exerting influence on world affairs out of all proportion to their intrinsic power will grow.~~-apace-~~ The example of OPEC's disruption of the free world's energy situation is likely to be followed by further attempts at cooperative efforts by small nations to exert greater control over other important raw materials, such as copper, bauxite, and phosphates, to the disadvantage of the leading industrial powers. As this process develops, the newly rich nations will seek to use their

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economic power for political purposes. Iran and Saudi Arabia are already doing so. Brazil, Venezuela, India, Iraq, Nigeria, and Zaire are also becoming at least regional great powers and are playing more substantial roles in world international forums. Aside from these, several nations such as Thailand, Indonesia, the Philippines, and Taiwan having considerable influence within regions and whose ties to the US have traditionally been close will display greater independence in their relations with the US. This will be particularly prevalent in the economic field but may also adversely affect certain US strategic interests. Examples of such powers are Canada, Mexico, Panama, Australia, and Thailand.

8. The Third World will present other major problems to US policy-makers. The existing confrontations between the Arabs and Israel, -North-and-South-Vietnam, and North and South Korea, and tensions in the Persian Gulf and Indian Ocean area, hold the potential of unravelling detente at a time when the power of the US to influence their outcome is declining. Other regional disputes--between China and Taiwan, India and Pakistan, Ethiopia and Somalia, Greece and Turkey, and blacks and whites in southern Africa--could also rekindle and threaten the tenuous equilibrium between the great powers. The newly rich powers will rapidly expand their military capabilities; some will develop nuclear armaments, however primitive. Some Third World nations will seek outlets for their frustrations in assualty on their economic relationships with great powers or neighbors, and in hamstringing

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the effectiveness of a variety of international forums. A few may resort to blackmail through terrorism--of a conventional or nuclear variety.

9. Social change will cause turbulence and possibly create power vacuums in a number of areas. These will stem from increased expectations and a perception of the growing economic gap between less developed countries (and classes within countries) and the developed world or between popular expectations and the ability of current governments to achieve them. Areas particularly susceptible to this process will be the Persian Gulf, certain other Arab states such as Morocco, India, possibly Indonesia, the Philippines, and, in Latin America, Argentina, Peru, Colombia, and possibly even Brazil. Internally this turbulence may be temporarily stilled by some authoritarian governments, particularly those benefiting from increased oil revenues, but these will have difficulties in maintaining themselves over the longer term and transferring power to successors. These successors may emerge from little known elites, have unpredictable goals or ideology, and attempt to maintain their power by radicalizing or restructuring their nation's socio-economic structure. The resulting turbulence can present temptations to neighboring states to exploit long-standing differences or to great powers desirous of extending their influence. Such turbulence will also exist within advanced nations, as economic, racial, ideological, or regional minorities turn to violence and terrorism to press their claims against more and more delicately tuned and interdependent societies.

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*10. The acceleration of events will be characteristic of the years ahead. This will come from improved communication and transportation, sharply reducing the time available to reflect on, negotiate, and resolve international problems. It will also raise many local events to international prominence and inflate national or political pride and radicalism, posing further handicaps to successful negotiations. There will be a resulting tendency towards shorter attention spans for individual situations and a need for simultaneous perception and management of a multiplicity of international relationships. Many national or international institutions are simply not structured to cope with accelerating change. Such change will occur most conspicuously in the fields of economic relationships and science and technology, but the pace there will have substantial effects on the pace of sociological, industrial, and institutional change, with resultant political and economic impacts. Identification and accurate assessments of such changes and their effects will be needed on an increasingly rapid or even immediate basis.

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Part II--The Role of Intelligence

1. General. The primary charge on intelligence during these years will be to provide accurate and pertinent information and assessments with respect to the increased range of problems requiring US decision, with a clear and explicit statement of uncertainty and limitations in the intelligence available. In particular, the need will be for advance notification and analysis of forthcoming policy problems ~~and, of course,~~ for tactical early warning ~~as well~~ and for immediate reporting on how such problems develop. These responsibilities will be especially important in an era of accelerating events so that diplomacy, negotiation, or other benign initiatives can head off military confrontations between states or other disruptive events. The acceleration of events and the explosion of information will also require a major effort by the intelligence community to identify major policy and negotiating issues, to process raw information into manageable quantifiable, and explicit form, and to devise adequate techniques to identify for consumers the essential elements of foreign situations, the reliability of our assessments, the limitations and uncertainty in the data and analytic methodology used, and the likely impact of alternative policy decisions. Intelligence will increasingly be expected to provide assessments of the intentions and likely courses of action of foreign powers, in addition to their basic capabilities. To do this will require interdisciplinary analysis which melds economic, technological, sociological and

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cultural factors with political and military data and advanced analytic methodology.

2. The USSR. The USSR will remain as the major intelligence target. Its military power, its economic role in the world, and its foreign policies will continue to pose major problems for American leadership. Intelligence will be expected to provide precise data on Soviet military capabilities and economic activity. It must follow Soviet efforts to acquire advanced scientific and technological assistance and the potential impact on both military and economic capabilities. It will be expected also to supply reliable assessments of Soviet political dynamics and intentions. These must be supplemented by clear and accurate forecasts of likely Soviet courses of action in the political, economic, and military fields. While a small percentage of this material will become available through open exchange and access, vast fields of highly important information will be kept by the Soviets within a closed society, requiring extraordinary efforts to obtain and understand them. A particular requirement will be accurate and demonstrable monitoring of arms limitation agreements made with the Soviet Union and of the compensatory changes taking place in Soviet and NSWP forces. In the military fields special attention will be focused on Soviet research and development, in particular with respect to weapons and supporting systems which could substantially affect the balance of power. These will include tank and anti-tank weapons, air defense systems, antisubmarine warfare, ballistic missiles,

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satellites and other advanced-technology systems. Intelligence will be required to identify and maintain a base-line capability for tactical intelligence coverage, for rapid augmentation in case of local or general confrontation or conflict. Trends and actions in Soviet leadership and political doctrine will be a major subject of interest to assist in negotiations and to warn of undesirable developments ahead. The Soviet role abroad, either directly through diplomatic or economic means or indirectly through party or subversive means, will be matter of special attention, particularly with respect to Western Europe and the Middle East.

3. China. China will continue to be a second but still important intelligence target. The closed nature of Chinese society will make it difficult to assess any turmoil within the country or threats China might pose abroad. The latter will become particularly important as Chinese strategic power grows and comes to include capabilities against the United States itself. It will also apply to Chinese political activities and intentions in view of China's influence in the Far East and ties with and aspirations in the Third World.

4. Western Europe. Next to the USSR, Western Europe is Community's most important intelligence target in view of US economic and security interests in the region and its importance to the overall relationship between the US and the USSR. The means Western European nations adopt to cope with the increasingly serious economic and sociological problems confronting them and

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and changes in their attitudes toward integration and Atlanticism will be constant and major intelligence targets. Sub-sets of these targets will be Western Europe's internal political developments and foreign economic policies, particularly those which might weaken the alignment of given nations with the United States. Intelligence collection in Western Europe will be in great part a matter of following open political, economic and military activities. The challenge will lie in providing useful assessments of their significance and likely future developments. Europe's economy and arms industry will be a significant intelligence target not only in Europe itself but also with respect to Europe's impact on the Third World and worldwide economic and military affairs.

5. Eastern Europe. Eastern Europe will be a constant collection and assessment target, in order to determine political developments vis-a-vis the USSR and the military and political strength the East European nations individually and collectively bring to the Warsaw Pact.

6. Economics. Economic intelligence will increase in importance worldwide. This will include economic situations in nations having a major impact on the world economy and on relationships with the United States, such as the Arab oil states, major economic powers such as Japan, major suppliers of food and raw materials, and nations where internal economic chaos can create major world problems out of sympathy or resonance (e.g., India). Economic intelligence of value to US policymakers is

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necessarily international in scope, including such topics as the activities of multi-national corporations, international arms sales and transfer, international development programs, regional economic arrangements, nuclear-related economic activities, and the working of international commodity markets. In some cases, nations with close political and military bonds to the United States may become important economic intelligence targets, e.g., Western Europe, Canada, Japan, etc., raising complicated problems for intelligence coverage.

7. Other Priorities. Intelligence will increasingly be expected to warn of and explain new situations posing problems to American interests. An example will be to identify the causes of social change, turbulence, and political terrorism in Third World countries, so the component elements of these problems can be isolated, negotiated about or countered with appropriate mechanisms. This may require intensified efforts on our part to understand and communicate the differences between societies, cultures, and nation personalities. Intelligence will be called upon more often to assess the threat of terrorists against US installations and private enterprises abroad and, beyond that, the risk that some terrorists may acquire nuclear weapons.

8. A few of the major problems which will be either the subject of dispute or negotiation, or sometimes both, and consequently will be priority intelligence requirements can be listed:

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a. Developments in critical regional confrontations:

(1) Arab/Israeli

(2) North-Vietnam/South-Vietnam Communist vs
non-Communist Southeast and Pacific Asia

(3) North Korea/South Korea

b. Indications of a rise in probability of, or
resurgence-of-ether in confrontations in others:

(1) Pakistan/India

(2) Greece/Turkey

(3) China/Taiwan

(4) Black Africans/White Africans

(5) China/USSR

(6) Persian Gulf

(7) Mediterranean/North Africa

c. Rates of production, consumption, and pricing of raw materials and energy sources and international commodity arrangements;

d. Price and non-price restrictions on international trade, including transportation and communication services;

e. The international payments mechanism and the coordination of national fiscal-monetary policies;

f. Efforts to control or cartelize key resources in addition to oil.

-f- g. National policies with respect to military sales and foreign business activity and investment, including policies toward multi-national corporations;

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-g-h. Arms limitation, nuclear or chemical and biological proliferation, and crisis avoidance;

-h-i. Jurisdiction, exploitation, and relationships in the oceans and on sea beds;

j. Build-up of local military forces, and impact on US and Soviet intervention capabilities.

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